ENERGY ASSURANCE DAILY

Wednesday Evening, October 17, 2007

Electricity

Oahu Electric Grid Improved: Lessons Learned from Quake-triggered Outage in 2006

Building on lessons learned from a power outage that affected some 300,000 customers when an earthquake hit the island, the Hawaiian Electric Company has developed and installed safeguards to improve communications and increase grid stability.

http://www.khnl.com/Global/story.asp?S=7218337

Update: FPL Takes First Step to Build Two Nuke Units in Florida – Files with State Regulators on October 16

On Tuesday, Florida Power & Light filed the Public Service Commission of Florida to construct two new nuclear generating units at its existing Turkey Point nuclear facility in South Florida. As a first step toward eventual construction, the filing seeks a determination from the commission that the additional capacity is needed. The company anticipates that the new units would be in operation by 2020.

http://www.fpl.com/news/2007/101607.shtml

http://www.fpl.com/news/2007/081507.shtml

http://www.nwfdailvnews.com/articles/FL FPL NUCLEAR POWER FLOL-

http://www.platts.com/Nuclear/News/6526667.xml?p=Nuclear/News&sub=Nuclear

http://biz.yahoo.com/bizj/071016/1535839.html?.v=2

OPG's 535 MW Lennox Oil and Gas-fired Unit 2 in Ontario Shut October 17, 2007

The unit is expected to restart on October 23.

Reuters, 08:49 October 17, 2007

Calpine's 271 MW Pastoria Gas-fired Unit in California Shut October 16

The restart date is unknown.

Reuters, 19:52 October 16, 2007

Bloomberg News, 19:00 October 16, 2007

http://www.caiso.com/unitstatus/data/unitstatus200710161515.html

Dynegy's 755 MW Moss Landing Gas-fired Unit 7 in California Shut October 15

The restart date is unknown.

Reuters, 08:49 October 17, 2007

CDWR's 329MW San Luis Hydro Unit in California Shut October 16

The restart date is unknown.

Reuters, 08:49 October 17, 2007

http://www.caiso.com/unitstatus/data/unitstatus200710161515.html

Cabrillo's 300 MW Encina Gas-fired Unit 4 in California Shut October 16

http://www.caiso.com/unitstatus/data/unitstatus200710161515.html

Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Ramped Up to 37 Percent October 17

According to the Nuclear Regulatory Commission, the unit was operating at 15 percent on October 16.

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/ps.html

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2007/20071016ps.html

Dominion's 925 MW North Anna Nuke Unit 1 in Virginia Ramped Up to 85 Percent October 17

According to the Nuclear Regulatory Commission, the unit was operating at 30 percent on October 16. http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2007/20071016ps.html

TVA's 1,155 MW Browns Ferry Nuke Unit 1 in Alabama Exits Outage October 17

The unit was shut on October 12 due to the failure of a device that monitors steam in the turbine. The unit ramped up to 1 percent power earlier this morning.

Reuters, 07:44 October 17, 2007

Bloomberg News, 10:20 October 17, 2007

PG&E's 406 MW Hetch Hetchy Aggregate Hydro Unit in California Reduced October 16

According to the California ISO outage status report, the hydroelectric units on the Hetch Hetchy Reservoir were reduced 121 MW.

http://www.caiso.com/unitstatus/data/unitstatus200710161515.html

Petroleum

Unit Malfunction Caused Fire at ExxonMobil's 60,000 b/d Billings Montana Refinery October 17

A spokeswoman for the company said that the fire which began early this morning was contained by the end of the morning. The fire was due to a malfunction in one of the processing units. All employees and contractors have been accounted for and there were no injuries associated with this incident.

http://money.cnn.com/news/newsfeeds/articles/djf500/200710171258DOWJONESDJONLINE000760_FORTUNE5_htm

Reuters, 10:10 October 17, 2007

Reuters, 12:16 October 17, 2007

Bloomberg News, 10:33 October 17, 2007 Bloomberg News, 12:48 October 17, 2007

80,000 b/d FCC Unit at Citgo's 165,000 b/d Corpus Christi Refinery Flares in Texas October 16

The company reported to Texas environmental regulators that it had to recompile and upgrade the logic system at its gasoline-making fluid catalytic cracking unit 1at its refinery which caused flaring; the unit continues to operate. Reuters, 10:32 October 17, 2007

Emissions Reported at Chevron's 80,000 b/d Perth Amboy Refinery in New Jersey October 16

According to a report filed to the New Jersey Department of Environmental Protection, the refinery had a release following a malfunction of a caustic pump. Bloomberg News, 19:10 October 16, 2007

Shell Reports Flaring at its 340,000 b/d Deer Park Refinery in Texas October 16

Flaring from an olefin unit in the chemical plant at the refinery lasted about six hours Wednesday according to a report with Texas state regulators.

Bloomberg News, 15:33 October 16, 2007

Update: Units Restarted at PDVSA's 135,000 b/d El Palito Refinery in Venezuela October 16

The units were shut down two weeks ago due to a power failure. The company has since conducted maintenance tests which were originally scheduled for March 2006.

Bloomberg News, 18:33 October 16, 2007

Turkey Approves Iraq Invasion Plan, OPEC Immediately Considers Meeting to be Held in Saudi Arabia on November 17

Despite international pressure to hold off on the strike, Turkey's parliament granted its troops permission to launch an attack against Kurdish rebels. This action by Turkey to invade northern Iraq has made crude investors and traders alike anxious, and oil prices touched a record high of \$89 a barrel earlier today. The soaring energy costs prompted OPEC to consider calling a formal meeting November 17 on output policy in Saudi Arabia, earlier than expected.

Reuters, 12:58 October 17, 2007 Reuters, 13:45 October 17, 2007

Iraqi Oil Exports via Turkey Still on Hold – Shipper

The flow of oil through Iraq's northern pipeline to Turkey is on hold for the third consecutive day. Sabotage has kept the pipeline regularly inoperable since the U.S.-led invasion of Iraq in March 2003. Concerns that the pipeline could be damaged, especially if Turkey sends its troops into northern Iraq, helped push U.S. oil futures to a record of \$88.20 a barrel on Tuesday.

Reuters, 04:36 October 17, 2007

U.S. Energy Secretary Concerned With High Crude Oil Prices

Having failed to mention whether OPEC should take additional action to address the record high U.S. crude oil prices, Secretary Bodman spoke to reporters today and did mention that he has not discussed oil supplies with any OPEC officials within the last few weeks. Secretary Bodman also said that the U.S. does not need to change its policy on emergency crude reserves.

Reuters, 13:45 October 17, 2007

Natural Gas

Update: Independence Hub in Gulf of Mexico Expected to Achieve 1 Bcf/d Production by End of Year

According to Enterprise Products Partners LP, current production at the Independence Hub in the deepwater area of the U.S. Gulf of Mexico is approximately 600 MMcf/d. The company anticipates that production will increase to approximately the design capacity of 1 Bcf/d by the end of this year. http://www.rigzone.com/news/article.asp?a_id=51526

Other News

Methanol and Crude Oil Spill Reported at BP's Prudhoe Bay Field in Alaska October 16

A spill of methanol and some crude oil totaling nearly 500 bbls occurred from a pipeline in the Prudhoe Bay field in Alaska. The bulk of the spill consisted of methanol which was mixed with some crude oil and water to melt an ice build up in the pipeline. State officials are investigating and will make recommendations on clean-up. http://biz.yahoo.com/ap/071016/ak prudhoe methanol spill.html?.v=1

Construction Delayed on 55 Million Gallon Ethanol Plant in Minnesota

According to the president of Aggassiz Energy, a combination of high corn prices and low ethanol prices is what lead to the decision to delay construction of the ethanol plant in Erskine, Minnesota. The company says it will start construction if the price of ethanol rebounds.

http://www.californiafarmer.com/index.aspx?ascxid=fpStory&fpsid=30453&fpstid=1

Energy Prices

U.S. Oil and Gas Prices October 17, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	88.63	81.30	58.91
NATURAL GAS Henry Hub \$/Million Btu	7.29	6.79	6.26

Source: Reuters

Energy Notes

Some Units Restarting at Aruba's 275,000 b/d Refinery October 17 Refinery Had Shut Due to Power Outage on October 5

http://www.caribbeannetnews.com/news-4012--11-11--.html

Links

This Week in Petroleum from the Energy Information Administration (EIA)

http://tonto.eia.doe.gov/oog/info/twip/twip.asp

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil gas/petroleum/data publications/weekly petroleum status report/wpsr.html Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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http://www.oe.netl.doe.gov/index.aspx.

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